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ABSTRACT

To examine the effects of the 1978-81 oil and gas boom on social and economic relations and institutions in Caldwell, Texas, researchers gathered data about the community using census information, historical accounts, official records, publications, observations, interviews, and surveys of 133 residents, 91 businesses, and 40 oil field service companies. Before the boom, Caldwell was a rural trade center for farmers and ranchers, characterized by its heavily German-Czech population, fiscal conservatism, and focus on family and church ties. Its population in 1980 was nearly 3,000. Its years of slow, positive growth and its new young leadership infrastructure helped Caldwell weather and benefit from the boom. Community businesses, especially new oil production companies, prospered, the number of workers doubled, community institutions such as schools and churches were stronger, more services were available, leadership was stable, and community satisfaction was high. No major mental health problems and little boom-related crime occurred. The boom appeared to be deepening as well as broadening the distribution of power and wealth in the town. The oil boom lifted Caldwell to a new level of economic activity, with an estimated population of 3,500 in 1982. The boom caused few real disadvantages for the community other than increased traffic, difficulties in maintaining roads, and an overexpansion of motels, apartments, and fast food places. (SB)

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SOCIAL IMPACTS OF OIL AND GAS DEVELOPMENTS ON A SMALL RURAL COMMUNITY

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May, 1984

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FOREWORD

This report traces the impact of intense oil and gas development on the small Central Texas community of Caldwell and describes the effects the "boom" had on the town and local people. Hopefully, findings from this study will help other communities facing similar rapid development of energy resources. Likewise, State agencies and other service providers working with these communities may gain a better idea of what to expect and some insights into the underlying processes involved. The findings also may be interesting to oil and gas industry managers concerned about the impacts of their industry on rural communities.

Data for this study were gathered from many different sources, including personal interviews, surveys, records, publications, and observation. Special thanks are due to Honey Dowdy, manager of the Caldwell Chamber of Commerce, Edgar Plemper, city secretary, and J.D. Teague, city manager. Thanks also go to William Law, editor and publisher of the Burleson County Citizen-Tribune, who provided newspaper files for 1977 through 1982; Woods Caperton, who helped identify the real estate impacts of the boom; and Bill Brown, superintendent, and the staff of the Caldwell Independent School District, who provided primary statistical information. Surveys were conducted with Caldwell residents, oil field service companies, and downtown businesses. A total of 133 (1 out of 10) homes receiving Caldwell utilities participated in a house-to-house interview

survey. In addition, 40 of the 45 oil field service companies in the Caldwell area and 91 downtown businesses were surveyed. A useful source of historical information was Astride the Old San Antonio Road: A History of Burleson County, Texas, published by the Burleson County Historical Society during the presidency of Catherine G. Alford. The U.S. Census and other secondary sources also provided statistical information. Finally, the author spent a good deal of time in town and on country roads, with notebook and camera, observing what was happening. Throughout the study the author was impressed by the openness, the directness, and the "upbeat" approach of the citizens of Caldwell and the workers in the nearby oil fields.

Support for this study was provided by the Texas A&M University Center for Energy and Mineral Resources and the Texas Agricultural Experiment Station. The author would also like to acknowledge the help of many people: Carol Pearcy, who conducted the household interviews; Frank McMillan, who interviewed oil service company managers; Francis Kelliher, who interviewed downtown businessmen; Bob Lewis, who took a look at real estate impacts; and Cindy Robillard and Kristi Schommer, who patiently indexed the files of the Citizen-Tribune. Special thanks are due to Steve Murdock, who suggested this study, and to Pat Bramwell, Lou E. Detherage, and Raelynn Shattuck for their back-up support. The author also thanks Lisa Hovorak and several residents of Caldwell for their review of and reactions to the preliminary draft of this report.

INTRODUCTION

After the Arab oil embargo of 1973-74 and the following rapid increase in the price of crude oil, the search for domestic sources of petroleum was intensified in the United States, especially in Texas. In a number of instances, new fields were discovered and communities that had no previous connection with the oil industry found themselves deeply involved. Such was the case with the Austin Chalk Field in Central Texas, which includes Lee, Burleson, Fayette, and Washington Counties, and the communities of Giddings, Caldwell, Somerville, La Grange, Lexington, and Snook.

Many of these communities were agriculturally based and had stable or declining populations. Residents of these communities tended to be of local origin, observing long-standing social patterns and customs, and well acquainted with the life histories of their neighbors. Investments in public services and community infrastructure tended to be rather conservative, and social control was effected by informal means.

The intense drilling activity from 1979 through 1981 had profound impacts on these Central Texas communities. Many experienced a 50 percent or more temporary increase in population and a much greater increase in traffic and demands for services, together with increased pressure on housing and community services, and on the informal networks of social control.

The purpose of this report is to describe the effects of the oil and gas boom on Caldwell, Texas. The study can (1) give oil

and gas industry managers a better understanding of the impact their industry may have on local communities, and (2) give community leaders and rural development advisors a better idea of what to prepare for when energy developments are proposed for a rural community.

Caldwell was selected for the study because it was experiencing an oil boom and because it is near Texas A&M.

Very little is known about the impact of the oil and gas industry on the rural community, despite the well developed state of socioeconomic-impact analysis in general (Leistritz and Murdock, 1981). Much of the work on the socioeconomic impact of energy development has taken place with regard to coal resources in the Western United States (Murdock and Leistritz, 1979). In addition, some work has been done on uranium mining (Murdock et al., 1981). Some initial work has been done on the effect of the oil industry on rural communities in Texas (Ballard et al., 1981; Ballard and Copp, 1982). More detailed work on the socioeconomic and labor force impacts on a regional basis has been done by Chase and Leistritz in the Williston Basin of North Dakota (1982; 1983).

As yet, very little sociological research has been done on the community impacts and social effects of rapid development of oil and gas resources. The best work to date appears to be that of the social historians, Roger and Diana Olien (1982).

The social disruption theme has appeared in the literature on energy developments, especially oil booms, for a long time

(Gilmore and Duff, 1975). Although a few of the early oil boom towns (with their extremely rapid growth in response to the heavy unskilled labor requirements of the industry at that time) may have deserved that reputation, the Oliens' (1982) careful historical analysis of five West Texas oil boom towns existing between 1920 and 1960 failed to reveal massive social disruption. Further, the Oliens were able to demonstrate selective distortion in the earlier accounts. The same conclusions about the extent of social disruption have been reached in reviewing the research of recent Western energy boom towns, particularly coal towns (Wilkinson, et al., 1982; Commentary by Albrecht and by Murdock and Leistritz, 1982).

The purpose of this study was to examine the effects of oil and gas development on the web of social and economic relationships in the local community, on community institutions, such as church and schools, on the family, on housing, on retail businesses, and on social control to see whether evidence of disruption could be found. This was done by examining the characteristics of the community before the boom and by following the effects of development as the boom progressed and then began to wane. The general questions addressed are: (1) What effects has the oil and gas boom had on Caldwell? and (2) Is the community better or worse because of oil and gas development?

The next section will describe the sources of data used in this report. Following that, the natural history of the oil boom

will be presented, beginning with a description of the community before the boom and then giving an account of the boom cycle. Various social impacts on the community will be reviewed, moving from the more obvious (traffic, housing, and community services) to the less obvious (family reactions, retail business effects, new oil-related businesses, and changes in local social stratification). Finally, brief sections attempt to draw conclusions and look into the future.

RESEARCH METHODS

A number of research methods were used to obtain data for this study, which was conducted from January 1982 to midsummer 1983. The sources include census data, newspaper files, historical accounts, official records, personal interviews, informal interviews, participant observation, and personal observation. In using these various sources, attempts were made to verify influences gained from other sources, employing the technique of "triangulation" (Denzin, 1978: 29).

Description of Sources

Census Data

Data from the U.S. Census of Population were employed wherever possible to study trends over time and to determine the distribution of characteristics in the population. However, because Caldwell had a population of less than 2500 in 1970 it was included in a larger subdivision of the county for the census. So, many important social and economic characteristics

of the city could not be obtained from the 1970 census tapes. Another problem was that many of the changes in Caldwell took place after April 1, 1980, the date of the last census. Despite these shortcomings, the Census did provide benchmark data for assessing the changes taking place in Caldwell.

Newspaper Files

By using the local newspaper files (Burleson County Citizen-Tribune), it was possible to review the weekly history of Caldwell from the present back to January 1977, long before the oil and gas developments first became apparent in 1978. The news coverage of the oil boom and its attendant social and economic effects was quite complete. In addition to news, quite a bit of attention was devoted to trends in advertising, particularly "Help Wanted." In addition, the weekly newspaper from Giddings, (The Giddings Times and News) and the newspapers from Bryan-College Station and Houston were monitored. The local Caldwell newspaper was probably the single most important source, in terms of establishing dates and documenting trends. A cumulative file-card index, arranged by topics, of significant events in Caldwell was developed on the basis of systematic reading of the newspaper. Major news items or significant pictures or advertisements were photocopied and included in the card file. In addition, the entire file of newspapers from 1977 to present was read to give the researcher a feeling for the historical sweep of the oil and gas boom.

Historical Accounts

The best single historical account of Caldwell and Burleson County was Astride the Old San Antonio Road: A History of Burleson County (Burleson County Historical Society, 1980). In addition to county history and histories of the larger communities, family histories provided information on the background of contemporary leaders and community workers. The family histories, written by family members, also revealed major values and cultural themes that are important locally. The autobiographical accounts were also quite important in portraying how local people view their family destinies and how they see themselves fitting into the local community. Unfortunately, there were no family histories for a significant number of the community leaders and local officials. So, the family histories provided only an "accidental sample" rather than an all-inclusive listing. Historical accounts of Caldwell and Burleson County from the time of settlement to the present are well researched and provided valuable information for the study.

Official Records

Budget information was obtained from the City of Caldwell, from Burleson County, and from the Caldwell Independent School District. This information provided data on changes in revenues and expenditures as the community experienced the oil boom. The changes in sales tax rebates to the City of Caldwell, which increased sixfold from 1977 to 1982, were particularly apparent. In addition, enrollment records for the Caldwell Independent

School District were very helpful in studying the changing demand for public services. Lastly, dockets and files of the County Clerk and District Clerk were reviewed for trends in crime and divorce rates.

Personal Interviews

Three types of personal interviews were conducted: a house-to-house sample survey, a complete survey of downtown businesses, and an inventory of oil service companies in the area.

The residential survey comprised a 10 percent random sample of the residential customers on the Caldwell utility address list of May 1982. In addition to all households in Caldwell, the list included a few families immediately adjacent to Caldwell, thus giving a better coverage of the effective community, including some minority households.

One hundred and sixty-four addresses were drawn in the sample. Of these, 3 were not residences, 11 were vacant residences, 9 householders could not be found, 1 householder was too feeble to be interviewed, 1 household did not have anyone who spoke English, and 6 households refused to be interviewed. Interviews were successfully completed in 133 residences. If the customer on the address list was no longer living at the address, but there was a new tenant, the new tenant was interviewed. There were 15 such instances. Thus, in the occupied residences, 133 out of 141 attempted interviews were completed (a completion rate of 94 percent), indicating a very high rate of cooperation. The changes in occupancy, the vacant residences, and the

householders who could not be found are indicative of the transiency occurring as the oil boom was waning in the early summer of 1982.

The interviews secured demographic data on the household occupants, work histories, evaluations of changes in public services and of local leadership, reports of benefits and losses from the oil boom, reports of criminal victimization, and goals for the community. All interviews were conducted by the same graduate student. The interview responses were coded and then analyzed by means of the Texas A&M University computer facilities.

The downtown business survey was conducted among all nonprofessional, non-oil-related businesses in downtown Caldwell and along the highway strip developments. Ninety-one businesses were surveyed; two firms refused to cooperate. The business survey included information on the history of the business, its ownership, changes in employment over the past 4 years, and questions about employee attitudes and turnover.

The inventory of oil service companies in the immediate vicinity of Caldwell was conducted. Despite some difficulty in locating businesses and scheduling interviews, it is estimated that the 40 completed contacts comprise about 90 percent of the potential oil service businesses in the locality.

The oil service managers were interviewed informally about the nature of the business, how the business was started, where the company originated, how the business was financed, ties with

other units, and level of acceptance of the firm and employees by the community. After the informal interview, the responses were recorded on a reporting form. At the beginning of the interview, the interviewer exchanged business cards with the respondent. At the end of the interview company brochures were requested. In this way, extensive documentary information on the oil service firm was collected.

Informal Interviews

Informal interviews were conducted repeatedly with public officials, community leaders, and community informants during the entire course of the study. Notes were taken either during the interview or after its completion. A number of very cooperative and perceptive informants were located. Their views were very important in "fleshing out" the meaning of local events.

Participant Observation

A number of community events were observed during the course of the study. These included Chamber of Commerce annual banquets, quarterly "economic breakfasts" sponsored by the Chamber, church services, and business openings. These events were very helpful in establishing the roles of various leaders in the community as well as in giving some indication of community participation at various events.

Personal Observation

A good deal of time was spent in informal community observation, casual interviewing, and photographing the changes taking place as the oil boom progressed. These observations were

very helpful in integrating the various pieces of data into a coherent whole and in testing the emergent interpretations of the social effects of the oil and gas boom.

General Comments

If the 3 interview surveys are counted as different sources of information, a total of 10 different types of information were used in this study. This multi-method approach permitted extensive cross-checking of information and the fitting together of seemingly anomalous pieces of information (e.g., a newspaper item on traffic accidents) into a more comprehensive picture of community impacts. On the other hand, collecting information is a never-ending process and the facts needed to answer a particular question and/or document a particular inference can still be elusive. Although the use of 10 different sources of data is certainly more effective than relying on a single source, it still does not assure completeness or prevent misinterpretation.

To assess whether such misinterpretation had occurred, 10 copies of a preliminary draft of this report were submitted to community leaders and officials for comment. In general, these leaders indicated that the interpretations were accurate.

THE NATURAL HISTORY OF AN OIL BOOM

The Community Setting

Caldwell is the county seat of Burleson County, located in Central Texas at the intersection of State Highways 21 (The Old San Antonio Road between Nacogdoches and San Antonio, "El Camino Real") and 36 (connecting Brenham and Temple). It is 25 miles from Bryan (which tends to be the economic dominant), 75 miles from Austin, and 110 miles from Houston. It is 30 miles from Rockdale, the site of a large Alcoa aluminum smelter providing jobs for workers from a wide area. The town is served by two railroads, the Santa Fe, connecting Galveston and Dallas-Fort Worth, and the Southern Pacific, connecting with Houston, San Antonio, and points west.

Other than the spillover effects from Bryan-College Station and from the Alcoa plant near Rockdale, Caldwell has been primarily a rural trade center serving farmers and ranchers within a 15- to 20-mile radius. The soil resources are mixed, ranging from excellent to very poor; excellent soils are found in the Brazos Bottoms and the blackland soils, other soils are excessively sandy or consist of light sand underlain with an impenetrable clay hardpan. Occasionally, there are nodes of "iron ore," a hematite-gravel-sand-clay mixture useful for surfacing dirt roads. Rainfall tends to be irregular and bunched into heavy showers. Spring moisture conditions are generally good; late summer and fall conditions tend towards drought. The principle crops are cotton, grain sorghum, wheat, and corn. The

cattle ranching on the poorer soils tends to be on brushy, unimproved land with low carrying capacity, because of the irregular rainfall and poor soil structure.

The city's population, originally of Anglo origin, is today heavily German-Czech. Blacks make up about 14 percent of the population and Mexican-Americans another 14 percent. As is typical in Central Texas, more whites than blacks were living below poverty level; although this amounted to only 7 percent of the whites, it included 42 percent of the blacks. According to the 1980 U.S. Census, no Mexican-Americans in Caldwell were living below the poverty level.

The total population of Burleson County is about 22 percent black, 10 percent Mexican-American, and the remainder is Czech, German, and Anglo. In the county in 1979, 46 percent of the blacks, 14 percent of the Mexican-Americans, and 12 percent of the non-Spanish sirname whites were living below the poverty level. According to the 1980 Census, in the entire county there were numerically more blacks than whites living below poverty level in 1979.

If the cultural tone of the community were to be characterized, the sketch would include such themes as agriculture, fiscal conservatism, the Democratic Party, and the Baptist Church. Family ties and religious activities are important. Hunting and fishing are common pastimes; high school basketball and football games, country dances, and taverns are other major interests.

There is a popular reservoir nearby for boating, fishing, and camping. Other entertainment includes a softball league, a private swimming pool, a modest country club, and roller skating at the SPJST hall. There are beer joints and package stores, but no liquor-by-the-drink. There also are no movie theaters.

Physically, the town is oriented around the courthouse square and commercial strip developments that extend about 4 miles each way along the two major highways. Roadways and parking lots along these strips are undefined. The courthouse square is offset about 4 blocks from either highway; thus, there is no focus to the business section (Department of Landscape Architecture, Texas A&M University, 1981). The Santa Fe Railroad cuts the residential area in half. There are some nice old homes, many simple bungalows, and some newer tract developments. The average home in Caldwell is modest. The appearance of the commercial strips and residential areas, together with the mixed reactions to community beautification suggest a moderate priority for appearance values. Yet the churches, the courthouse square, and some of the homes are very attractive. The lack of a unifying, comprehensive concept to the place may reflect the emphasis on individualism and freedom from all but minimum controls. The same can be said of many other Central Texas towns.

Before the Boom

The population of Caldwell has been increasing slowly, but consistently, since its incorporation in 1890. Its population

today is about double what it was in 1930. Only following World War II was there a small population decline. In 1980, the population was 2953, the author's estimate for 1982 is 3500. Slow growth may have been a blessing in disguise, because it may have prepared Caldwell citizens for change as a continuous part of the external environment, encouraging local leaders to improve facilities for a growing population. An interesting, but small component of this growth consisted of a few Texas A&M University staff members who chose to live in Caldwell because of its small town ambience. Another component was composed of businessmen from Bryan who also wanted to live in a smaller town. These newcomers brought ideas, expertise, and a sophisticated understanding of relationships in the outside world. However, in no way have the outsiders set standards or served as models.

Though an agricultural trade center, Caldwell has not been insular. Some of its people have been well connected to the larger world. During field work, interviewers were impressed with the warmth and openness shown by Caldwell leaders and informants to the researchers.

An industrial foundation, organized in the early 1960s, raised $100,000 in subscriptions from local sources, purchased land for an industrial park along the Santa Fe railroad, and attracted several large employers to the area. A second industrial park was started by Nagel Industries along the Southern Pacific tracks. Both industrial parks are within the city limits and provide over 500 jobs. These new sources of

employment tended to counteract the effects of decreasing employment in agriculture.

Connected with this growth-oriented posture, a new leadership and infrastructure began to develop in Caldwell before the unexpected boom occurred. About 10 years ago, young men began appearing in local government. One man who first became County Judge has since become District Attorney. He was followed as County Judge by another young attorney. Three of the four County Commissioners and the sheriff were first elected in the 1970s as were the Mayor and all the City Councilmen. Both banks experienced changes in leadership in the 1970s. A new shareholder group became involved with the State Bank during this period and a new president and executive officers were brought into the National Bank from outside the area.

Other young people became leaders in the community. An influential member of the Chamber of Commerce was formerly city engineer for Bryan. The Mayor, a supermarket owner, has one of the largest businesses in town. Two young physicians and two physician's assistants located in Caldwell in the late 1970s. Other young professionals, sometimes native to the town, also settled in Caldwell after finishing their education. (Despite this progressiveness, no major position of decision-making is occupied by a female in city or county government, or in major local businesses.)

In terms of facilities, this growth-oriented posture prepared Caldwell for the oil boom. Caldwell's water system was

expanded in the early 1970s. As a result, the City was able to sell several hundred thousands of gallons of water daily (a total of 39 million gallons in 1980) to oil companies during the boom, and this became an important additional source of local revenue. The new sewage treatment plant was finished in mid-1978. A hospital district was formed, a new medical clinic established in 1978, and a new hospital built (but not completed until 1982). New apartment construction began in 1978. A new high school was completed in 1972. The courthouse was renovated in 1974. An out-of-town savings and loan association located in Caldwell in 1978, and a local savings association was formed early in 1979. In addition, a mobile home ordinance was passed in 1977. The local airport was also upgraded that year. Traditionally, the police department has been adequately staffed and directed.

A new library was opened in the mid-seventies, ball fields were developed, a mental health center was opened in October 1977, and an exceptionally fine county history project was begun in 1979. A county historical museum already had been established. There were already active Rotary and Lions Clubs; a local chapter of the Jaycees was organized in 1977; and local people were being elected to regional- and state-level offices in civic and business associations.

When the oil boom began, Caldwell had a flexible posture toward growth, new leaders, and a new infrastructure, all of which helped the community to "weather the boom." The continued successful completion of various community projects indicates a

robust leadership structure and a community-wide tradition of achievement.

The "Toe" of the Boom

The oil boom came to Caldwell imperceptibly. No references to oil production appeared in the available 1977 newspaper files. The first newspaper reports of oil activity occurred in the late spring of 1978. However, it was not until the end of 1979 that a full-fledged boom in the county was recognized. The boom came so slowly that it seems accurate to refer to this period, when the level of activity was low and the rate of increase in activity gradual, as the "toe" of the boom.

The reason for the slow recognition of the boom is intriguing. Although the oil boom began in Giddings in the adjacent county 2 years earlier (1976), no one knew the extent of oil and gas resources in the Austin Chalk trend. Despite modern geological knowledge and highly sophisticated instrumentation, there appears to be no way to establish the boundaries of the area of recoverable oil and gas in a field except through trial and error (Wheeler and Whited, 1975). So, during early exploration, no one knew that Burleson County eventually would be producing more oil and gas than Lee County, where the boom began.

Although there are no references to local oil and gas production, except a 21,000-foot wildcat well on the Texas A&M Farm in the Brazos Bottoms, a careful reading of 1977 newspapers suggests that something was happening in the area. School

enrollments increased by 11 students in September 1977. In October, the City was working on a mobile home ordinance. By February 1978, the city manager was calling for safer driving because of increased number of traffic accidents. More importantly, Halliburton Services began construction of its facility in the Caldwell Industrial Park in September 1977. Palestine Construction also located near Caldwell in 1977. In addition, the president of Dresser Industries addressed the Chamber of Commerce banquet in April 1978.

The number of "Help Wanted" ads in the classified section of the local weekly newspaper began increasing after April 1978. Sales tax receipts were up 15 percent the first 5 months of 1977, and up another 20 percent the first 5 months of 1978. Interestingly, local newspaper stories still were not referring to the possibility of a boom. The first news of new drilling activity within the county appeared in March 1978. The onset of the boom was very, very gradual.

One thing that masked the oil boom in Caldwell was the existing background of oil activity. There were shallow wells (down to 3000 feet) in the western part of the county. These "stripper" wells, as they are called, had been in the county for a long time, going back at least to 1938. As oil prices increased, more shallow wells were brought in. The Austin Chalk wells, going down to 8000 feet, were not at first distinguished by the general public as something new and different. In fact, there had been wildcatting in the county since the 1920s

(Burleson County Historical Society, 1980). Earlier production tended to be low, however, and many attempts turned out to be "dry holes." Although most land was under lease, no one took the oil business seriously.

Drilling began very gradually in the county. Much oil and gas was being discovered in adjacent Lee County, so there was little reason to move farther afield. Besides, the infrastructure for the drilling industry just was becoming established in Giddings. Drilling was proceeding about as fast as possible under these circumstances.

The Boom Strikes

The first new wells drilled in Burleson County were reported in March and April 1978. The activity was of two kinds --renewed shallow well drilling in the western periphery of the county beyond Chriesman or near Lexington and a slow, leap-frogging creep along the Austin Chalk trend from Giddings to Dime Box, and then toward Deanville. The movement from Dime Box, in Lee County, literally felt its way. By the end of 1978, the southern part of the county included several successful Austin Chalk wells. However, school enrollment for the 1978-79 year was down 5 percent. Drilling activity proceeded briskly through the spring of 1979. By June, an extensive level of exploration was underway, and the Burleson Citizen Tribune carried an oil item for the first and only time in the upper right hand corner of the front page. Oilfield construction workers were being sought in the "Help Wanted" columns and the possible building of gas

pipelines was first mentioned in May.

In July 1979, Clayton Williams of Midland, a major oil operator in Lee County, began extensive operations in Burleson County. Other "majors" also were beginning to show an interest in the county. Oil and gas production in 1978 was reported to be 60 percent over 1977.

By August 1979, the rate of oil production was four times as great as the average rate in 1978 with the last half of the year showing frenzied oil and gas drilling activity. This increased activity was evidenced by increased oil-related traffic. For example, in mid-January 1980, there were two different road accidents involving radioactive materials used in the oil industry.

In late May 1980, the Texas Agricultural Extension Service sponsored its first county meeting on oil leases for landowners. But change was only slowly recognized by local leaders. From March to May 1980, the "Help Wanted" ads took 15 column inches of space.

By March 1980, production was increasing very rapidly, up 35 percent over the previous month. One hundred fifty Burleson County wells were in production, many producing over 3000 barrels a month. The March 27 issue of the Citizen-Tribune reported 14 county wells completed in a week. By July 1980, Clayton Williams was planning to build two gas plants in the county and employment opportunities continued to increase. In August 1980, there were 20 column inches of "Help Wanted" ads, and in October, there were

32 column inches. By the year's end, 660 well completions were reported.

Drilling continued into early 1981. Getty Oil announced plans to build a gas plant. Production figures increased about 14 percent each month. By May 14, 1981, 191 wells had been completed in the year. There were 762 producing wells and 418 open permits to drill; only 26 "dry holes" had been plugged. Burleson County ranked 21st in oil production in the state, surpassing neighboring Lee County (see Table I). On August 20, 1981, "Help Wanted" advertising totaled 51 column inches. By November 19, 1981, the oil and gas production reported for Burleson County took 1 page and 2 columns (a total of 10 full columns) in the newspaper. By November 1981, it was clear that Burleson County was dominating production in the Austin Chalk Field--47 percent of the wells, and producing 52 percent of the oil and 50 percent of the natural gas.

The Bust

By February 1982, drilling activity was down. Because of high interest rates, investment capital became scarce. The price of crude oil was not increasing. There was an international surplus of oil. Federal income tax laws had been changed. And, finally, there were fewer places in the county to drill new wells. The field had reached the developed stage (Olien and Olien, 1982; see p. 164 on the waning of a boom).

Oil and gas production in Burleson County had developed at a frantic pace in the latter part of 1979, all through 1980 and

TABLE I: BURLESON COUNTY OIL AND GAS PRODUCTION

	Wells drilled	Oil, barrels	Rank of county	Natural gas, mcf
1976	(a)	132,000	(a)	(a)
1977	22	146,000	181	961,000
1978	40	299,000	171	(a)
1979	123	1,396,000	(a)	(a)
1980	401	10,197,000	21	(a)
1981	(a)	22,417,000	11	70,500,000
1982	(a)	18,035,000	11	96,907,000

a Not available.

Source: Burleson County Citizen-Tribune and Bryan-College Station Eagle.

1981. By the time the wells permitted in 1981 were completed in 1982, there were 40 percent more wells in production than at the end of 1981. The oil and gas well report in the Citizen-Tribune for December 16, 1982, filled 14 full-length columns. Although there were twice as many wells in the county in August 1981 as a year earlier, oil production was almost the same. However, gas production was up 23 percent over a year earlier. The marginal gain in production of each new well was falling off sharply. The very rapid development of the Austin Chalk Field choked off opportunities for further development.

In early January 1982, Clayton Williams suddenly announced he was divesting most of his wells in the Austin Chalk Field. However, it was well past the middle of 1982 before most of the oil industry seemed to realize that the oil business was changing in Burleson County. The boom days were now over, but it took almost a year before this was an accepted fact of life. By the end of the year, many service companies had moved on, declared bankruptcy, or faded out, leaving nothing behind but an empty pad and stains on the ground.

The decline in the oil industry affected various oil service companies differently. Hardest hit were owners of drilling rigs and contractors who built roads, developed sites, or completed wells. Companies dealing with transportation of oil or maintaining production suffered less. However, as the world oil glut continued, oil companies devoted less resources to keeping wells at maximum production. Production from wells in the Austin

Chalk declined sharply as a result. So, even the transport companies began to sense the decline.

SOCIAL IMPACTS OF THE BOOM ON THE COMMUNITY

Traffic

Because of a peculiar, though typically East Texas, road grid, the all-weather roads in the western four-fifths of Burleson County all lead to Caldwell. State Highways 21 and 36 and six farm-to-market roads lead to Caldwell with no effective bypass around the city. The resulting grid is like a wheel in which Caldwell is the hub and the roads are the spokes.

The peculiar road grid caused the transportation effects of the oil boom to be greatly concentrated and magnified for Caldwell. Adding to the problem, there are four low railroad underpasses and many low utility lines. Vehicles collided into underpass pillars, utility lines were repeatedly torn down by huge construction rigs, and traffic signs were damaged. The accident rate on major highways and at intersections escalated, with considerable loss of life. On top of this, the boom coincided with reconstruction on State Highways 21 and 36, leading to frustration and risk-taking by drivers with tight schedules.

Rural roads, not designed for the loads and the volume of traffic now being placed on them, quickly squashed out and developed potholes. Freshly rebuilt roads immediately broke down again. The county, despite its efforts, could not keep up with the destruction. The difficulty of maintaining roads was

accentuated because there is very little good roadbuilding material in the county. Practically everything, including crushed rock, must be trucked in both for public roads and for oil field roads and drilling pads, multiplying the traffic further. In fact, the most noticeable concomitant of drilling activity was the presence of huge gravel trucks bringing in crushed rock for access roads and drilling pads. Each active oil well drilling rig is estimated to generate at least 200 round-trips daily (Mason et al., 1982). In 4 years 1500 wells were drilled in the county. One result was increased traffic.

When drilling activity is booming, stress on oil workers is intense. The typical pattern is 7 days on, 2 days off, 12 hours a day, the other 12 hours "on call." Thus, truck drivers worked long hours, even double shifts, and were often fatigued. A few took drugs; some drank a good deal of beer; and all pushed to keep schedules. In addition, some drivers were youthful and risk-taking, on traffic-clotted highways.

Housing

Housing for oil workers in small rural communities is problematical. Business executives, professionals, and technicians on short-term visits stay in motels, often reserving blocks of rooms. Other workers double-up in houses, sleep in cars, bring in mobile homes, or commute 60 miles or more. The supply of housing does not expand to meet the demand. Rentals go up; in Caldwell and similar communities, they tripled. In Caldwell, home and apartment building responded very sluggishly

and too late to the demand.

Motel rooms in Caldwell have quadrupled in number, but by the latter part of 1982, visual inspection showed occupancy was very, very low. One of the larger motels could have handled the entire demand. Although apartment building (a new thing for Caldwell) began in 1978, it did not keep up with demand. Apartment space tripled in 1982 alone, but early in 1983 visual inspection suggested 30 percent extra capacity. Serious home-building started in 1981, again near the end of the boom. Local small-town investors were extremely reluctant to build because they did not know if the boom was going to last. They may have been well advised.

Much of the shortage in housing was made up by several hundred mobile homes, which were placed on vacant lots in the city, on country tracts, and in mobile home parks. Frequently, esthetics, privacy, and public health considerations were minimal or non-existent. The Sheriff's Department and County Public Health Officer cited certain mobile home parks as sources of many problems.

Thus, in towns like Caldwell, there seem to be four classes of demand: (1) housing for short-term transient workers, (2) housing for long-term workers with oil-related firms who want to locate in Caldwell, (3) housing for middle-income professionals (teachers, government employees, small businessmen) whose work is in Caldwell, and (4) housing for low-income people. There do not seem to be any easy solutions for these needs in an oil boom

town. The lag time between demand and supply is so great that when additional housing is begun, it is often completed after demand has fallen.

Law Enforcement

Caldwell appears to have had vigorous law enforcement over the past 20 years. The police force has been adequately staffed, traffic laws have been enforced strictly, and drinking places have been supervised closely. Crime increased during the boom, but not disproportionately compared to the population increase until 1982, at the end of the boom. The Sheriff's Department had a good reputation, but had a limited number of staff members (never more than three deputies). In interviews, the Sheriff indicated his frustration in keeping up with oil field crime. Comparisons of local newspapers suggest considerably more "white collar" oil field crime occurred in an adjacent county than in Burleson County. Apparently other illegal services were sought in larger cities, such as Bryan-College Station and Houston.

The number of fires, proved and unproved cases of arson, rose but did not become as excessive as it did in a neighboring community. In fact, very few buildings, other than City Hall, have burned during the last few years. This is probably due to the vigorous pattern of law enforcement backed up by an efficient fire company. In addition, City policy is to raze derelict buildings.

It is noteworthy that no major robberies or scams (confidence games) were perpetrated in Caldwell. A neighboring

oil town still has more than its share of burglaries and financial schemes.

Families

There are about 1600 dwelling units in Caldwell. In the spring of 1982, a 10 percent sample was drawn from city utility records, which yielded 141 qualifying households of which 133 householders were successfully interviewed. The sample interviewed, within the limits of sampling error, should give an adequate statistical approximation of the population of Caldwell and of attitudes toward the oil boom as of June 1982.

Household Composition

Caldwell, like most small communities, is a town of small households. The mean (average) size of household was 2.64 persons; the median size was 2.24. Twenty-five percent of the households were single-person households. Another 26 percent were husband-wife households. Only 34 percent were households with husband, wife, and children. Forty-two percent of the informants told us they were single, widowed, divorced, or separated. The 19 percent who reported they were widowed was expected, because this is typical for small, rural towns. Most of the widowed persons, of course, were elderly females. There were as many heads of households age 65 and over as there were age 30 and under. The median age for heads of households was 40. This high average age is typical for the white population in small Texas towns (Skrabanek, et al., 1975).

Eleven percent of the householders interviewed were black,

compared with the 1980 Census report which showed that 13.5 percent of the population was black. Although we did not inquire about Hispanic origin, the 1980 Census shows another 13.6 percent were Mexican-American. Two-thirds of the household heads were high school graduates and almost half of these had some college. Twenty-nine percent of the household heads were not working (generally reflecting retirement). Fifteen percent of the household heads were currently working in an oil-related business, and 18 percent of the households had some member working in the oil industry. Of the working household heads, three-quarters were working within the county. Interestingly, half the working household heads had been at their present job only 3 years or less, reflecting fairly high job turnover, but one must remember one-quarter of the household heads are age 30 and under. Occupational levels of working household heads were relatively high: 28 percent were professional, technical, or managerial; 13 percent were clerical and sales; 18 percent were classified as "skilled craftsmen;" 38 percent unskilled; and 2 percent ranchers (of course ranch ownership is fairly high among Central Texas small-town residents; these 2 percent were primarily ranchers).

Eighty-two percent of the households were living in conventional single-family homes, 11 percent in trailers, and 7 percent in apartments, duplexes, and fourplexes. Three-quarters owned their homes. Of those who rented, the average rent was reported to be $250 per month. The highest rentals reported were

$450 a month. It was noted that those who paid the highest rents came from out-of-town locations within 150 miles of Caldwell. Lowest rents were paid by natives and those from out of state. Homes in Caldwell tended to be old; the average (median) home was reported to be 28 years old, 20 percent were 6 years and under.

Benefits Received

A five-point scale of the households' degree of involvement in the oil industry was constructed. One point was given for each of the following factors: (1) someone in the household was employed in oil and gas related industry, (2) the respondent indicated that the family had benefited in any way from the oil boom, (3) the household received mineral lease income, (4) the household received royalty income, and (5) if anyone in the household had an interest in a business serving the oil industry. Forty-four percent of the respondents reported no involvement in the oil and gas boom (score 0). Only 3 percent of the respondents said "yes" to all five questions.

Interestingly, 55 percent of those who reported no benefits, did not know anyone else who had benefited from the boom. However, 83 percent of those who reported at least one benefit knew others who had benefited. When asked about effects of the oil boom, 82 percent of those who reported household benefits also reported predominantly positive overall effects of the boom. However, 64 percent of those who reported no personal benefits also saw overall positive effects.

Most significantly, those who reported benefits were

disproportionately drawn from the professional, technical, managerial, and craftsmen levels; of those reporting no benefits only 19 percent were from the two highest occupational categories. Of those reporting benefits, half were from the two highest categories. Further, those from the upper categories reported more different kinds of benefits (see Table II).

Community Satisfaction

Respondents were asked how they felt about changes the oil and gas boom brought to Caldwell. About 30 percent thought the various city services had improved, another 60 percent generally did not see any change (see Table III). Only 20 percent were unhappy about the new people coming to town. A mere 12 percent thought the effects of the oil boom were only negative, and 56 percent gave an unqualified positive evaluation.

Eighty-seven percent thought crime had increased, but only 12 percent had been personally victimized in the past 2 years. Of 16 persons affected, only 3 had been the victim of personal crimes. The predominant offenses were theft and burglary. Only 14 percent said they did not feel safe in Caldwell.

Twenty-six percent thought their family had experienced loss from the oil boom; most of these losses were in the quality of social relationships, street conditions, and traffic.

People were satisfied relatively well with local leadership during the oil boom. When asked to give a letter grade, only 10

TABLE II: OCCUPATIONAL CATEGORY AND NUMBER OF DIFFERENT KINDS OF BENEFITS RECEIVED BY HOUSEHOLDS FROM THE OIL BOOM

	Occupation category of household head					
Number of benefits	Professional, technical, managerial*	Skilled craftsman	Clerical sales	Operatives & unskilled	Retired	Total
0	7	4	6	21	21	59
1	7	7	4	9	9	36
2	8	4	2	8	2	24
3	2	3	1	0	2	8
4	2	0	0	0	0	2
5	4	0	0	0	0	4
Total	30	18	13	38	34	133
$\bar{X}$ Benefits	2.03	1.33	.85	.66	.56	1.02

*Includes farmer-ranchers

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TABLE III: SELECTED COMMUNITY SATISFACTION ATTITUDES AMONG A SAMPLE OF CALDWELL RESIDENTS, SUMMER 1982 (N=133)

Item	Yes, %	No, %	No opinion, %
City services have improved	30	61	9
Unhappy about new people in town	20	78	2
Effects of oil boom only negative	12	75	14
Crime has increased	87	5	8
Have been a crime victim	12	87	1
Don't feel safe in past 2 years in Caldwell	14	85	1
Family has experienced loss from oil boom	26	72	2
Dissatisfied with local leadership	10	70	20
Would stay in Caldwell if boom dies down	89	9	2
Would have to move if oil boom died down	5	93	2
Want to see Caldwell grow	44	54	2

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percent gave a grade of D or lower. When asked how they felt about Caldwell now, only 5 percent said they were "dissatisfied" or "very dissatisfied." If the oil boom were to die down, 89 percent said they would want to live there, only 5 percent said they would move on. Their ambitions for the town were divided; almost half (44 percent) wanted to see it grow, the other half wanted it to stay as it was (30 percent), or as a "quiet small town" (23 percent).

Although the oil and gas boom has had a tremendous impact on the town, its congestion, its appearance, its population, and the fortunes of its townspeople, the citizens of Caldwell have been able to take the boom in stride. Taking all the indicators together, and striking a balance, the general attitude was positive toward the oil and gas developments, even among those with no direct personal gain from the changes.

Mental Health

It was impossible to obtain before-and-after mental health data, because the local center had not maintained its own records the entire time it had been in operation. The center's level of activity was high, and some of its caseload was from newcomers. One should remember that such centers do not necessarily indicate the level of need in the community because there are many counseling alternatives (e.g., pastors and medical doctors in the community) as well as many types of therapists outside the community. The evidence of problems is mixed. A medical doctor remarked that he encountered a good deal of marital dissension

among couples who disagreed about investment and spending of oil royalties. Although the divorce rate more than doubled during the boom years, the increase of younger couples at divorce-prone ages and the influences of secular trends may have partly accounted for this increase.

A careful reading of the local newspaper failed to disclose many instances of deviance or family violence that would signal major mental health problems in the community. An examination of the county court criminal docket supported this conclusion. No changes in mental health were noted that would be disproportionate to increased population in the 5-year period.

Churches

Some attempt was made to follow the effect of the boom on local churches. Very little membership change was found except in one church, which is the most vigorous in the community in terms of extension of physical plant and membership. Attendance did not seem to be greatly affected; however, financial contributions were up. Little change was found in the programs of the churches in response to the oil and gas boom. The annual calendar of events continued to be followed, there was little indication of special outreach programs for new people in the community.

Local people were asked in the household survey how the boom had affected their churches. Of those who were church members, almost half (47 percent) said their church had benefited, a little more than a quarter (29 percent) said their church had not

benefited, and a little less than a quarter (24 percent) did not know. The findings do not suggest dynamic changes in the churches.

Despite the failure to find changes, it can be noted that there were more church congregations listed in the Caldwell area in 1982 than in 1977, and the level of activity seemed to be higher. One new church building, The Assembly of God, was completed. It has a novel and impressive design, employing geodesic domes. The general conclusion is that religious life was not altered, but religious institutions were strengthened.

Schools

The Caldwell Independent School District operates an elementary school, a junior high, and a high school, all in Caldwell. Total enrollment before the boom hovered around 1400, then declined closer to 1300 as the ripple effect of the decline in the "baby boom" worked itself through the school system. Although the population of the community was increasing, school enrollment was decreasing during the "toe" of the boom (see Table IV).

In the fall of 1980, the full weight of the boom was felt. One hundred and fifty-six more youngsters were enrolled than in the previous year, an 11 percent increase. In the following year enrollment went up by an additional 157 students, another 10 percent increase. The school system had no choice but to rent temporary classroom buildings for its elementary students. In some grades, school enrollments had increased by two-thirds in

TABLE IV: ENROLLMENT DATA FOR CALDWELL INDEPENDENT SCHOOL DISTRICT 1976-77 THROUGH 1982-83

Grade	1976-1977	1977-1978	1978-1979	1979-1980	1980-1981	1981-1982	1982-1983
K	78	93	76	90	118	158	133
1	74	93	94	90	117	150	161
2	102	92	94	96	120	137	143
3	97	101	86	100	103	134	135
4	104	85	108	89	118	110	120
5	95	105	82	100	98	138	110
6	123	94	106	101	129	103	139
7	124	128	108	127	127	148	110
8	133	121	119	106	119	132	146
9	135	139	130	120	119	135	135
10	116	125	125	120	127	106	118
11	123	104	114	100	106	106	100
12	90	109	91	106	100	101	146
Totals	1394	1389	1333	1345	1501	1658	1655

Source: Superintendent's Office, Caldwell Independent School District.

2 years.

School bond issues were submitted to the voters in 1977 and again in May 1979. Both proposals were defeated. A new superintendent was hired in 1980. Planning was carefully executed, high citizen involvement was obtained, and a school bond election was passed in December 1981. These bonds provide for building a new high school, freeing the old high school to serve as a junior high.

The community has a long history of emphasizing its educational system (Burleson County Historical Society, 1980). For instance, the school is very active in interscholastic competitions of all kinds, and in 1982, one of the high school graduates was named a National Merit Competition Finalist. Currently the school system is actively involved in computer applications in instruction, business, mathematics, and science.

Thus, the overall effect of the oil boom has been to put heavy pressure on enrollment while greatly increasing tax valuation in the community. The result has been a strengthening of the school system in terms of physical plant and in instructional programs.

The Downtown Merchants

As mentioned before, the business section of Caldwell is concentrated around the courthouse square and then leapfrogs to the strip developments flanking State Highways 36 and 21. The brief survey of all non-oil-related retail businesses in Caldwell concentrated on retail trade and ignored professional services.

Oil service firms were not included because they were included in another survey. Neither were manufacturing employers included. Interviews were secured from 91 out of 93 retail businesses.

The author tried to compare employment before and after the boom, but this proved impossible. Of the 91 businesses, only 64 were more than 4-years old, and 12 of these did not know the number of people they employed 4 years ago. Thus, only 52 firms (see Table V) could be included in the "before and after the boom" comparisons. Employment in these 52 firms increased by 20 percent. Half of this increase was in full-time employees and half was in part-time employees. A barbershop and a self-employed garageman nearing retirement reported declines in employment. About 80 percent of all employees were full time, except in fast-food stores and food markets. The 27 new businesses reported 151 employees or 27 percent of all employees. Growth in new business is difficult to appraise because the number of businesses less than 4-years old in 1978 is not known. However, the starting of new businesses seems to have been greatly stimulated by the boom.

Only about a quarter of the 27 new firms (less than 5-years old) started because of oil. Thus, most of the downtown businesses have started because of the steady growth of Caldwell. Only 35 percent of the businesses reported that they had invested more money because of the oil boom.

Relationships with employees seemed to be good, despite high wages in oil-related jobs and inflationary pressures on housing.

TABLE V: SURVEY OF RETAIL MERCHANTS, EMPLOYMENT CHANGES

	Number of businesses	Number of employees 4 yrs. ago	Number of employees now
Old businesses, complete information	52	257	308[a]
Old businesses, incomplete information	12	---	107
New businesses	27[b]	---	151[c]
Total	91		566

[a] Twenty percent increase in employees, half of them are part-time.

[b] Thirty percent of businesses are less than 4-years old.

[c] Twenty-seven percent of employees work for businesses less than 4-years old.

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Only 30 percent of the informants thought their employee turnover had been affected. Only 20 percent thought employee attitudes had been affected by the boom. The size of the business did not seem to be related to this judgement. However, many employees in downtown businesses are related to the owners, which assures a more stable labor supply.

Considering these data conservatively, the number of new businesses increased markedly, the number of employees increased considerably, and that employee problems were relatively mild. The increase in employees suggests a very substantial increase in the volume of business. The increase in business also is indicated by the increase in sales tax rebates, which by 1982 had increased to an annual rate of half a million dollars per year (see Table VI). The oil boom has been good to the downtown merchants.

Oil Service Businesses

An entirely new sector of business appeared in Caldwell with the coming of the oil boom--the firms that directly serve the oil industry. Before the oil and gas developments, no oil-field-related business existed in Caldwell. However, by the summer of 1982, at least 40 such businesses were operating.

The oil service firms were widely scattered along the state highways, along the county farm-to-market roads, and within the City in rather unexpected places (Caldwell does not have land use zoning). Thus, the inventory of oil service firms required the systematic exploration of all roads. Therefore, some oil-related

TABLE VI: SALES TAX REVENUE, CALDWELL, 1977-1982

Year	Sales tax rebate	Percent change
1977	$ 65,000[a]	------
1978	84,383	30
1979	101,586	20
1980	121,492	20
1981	214,422	76
1982	418,547	95

[a]Estimate, accurate within $3000

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businesses may have been missed.

When the survey was conducted in June and July 1982 the oil business was slack. Some businesses had already moved away, some had failed, some were still trying to keep their employees, and some were doing very well. The businesses in the most perilous positions were those having to do with the construction of drilling pads and access roads and those serving the drillers. In other words, business had declined for firms involved in drilling and bringing wells into production. Businesses devoted to handling production and keeping wells in production were doing very well.

Among firms dealing with new wells, there was variation. Some older companies with good reputations were doing well. Other newer, smaller firms with fewer contacts were doing poorly. Because the oil service firms in Caldwell grew very rapidly and had little business history, the firms with the best reputations were the most successful when the market was slack. In addition, some of the larger, more successful firms were also more diverse. For instance, Blank Construction Company not only could build the pad but they also had their own rock quarry.

The average oil service firm in the Caldwell area was small although there was a wide range in the number of employees. The median number of employees was six. In addition, the installations generally appeared to be smaller than in Giddings, where the oil service firms first located.

Although many of the firms were small independents, others

were small branches of firms operating in other parts of the state (e.g., Tyler, Beaumont, Midland-Odessa, Abilene) or in other states. In the future, one might predict that the larger firms will gravitate toward Bryan, a metropolitan center affording many specialized services and also at the center of recent drilling of high-producing wells. Thus a concentration of oil service industries is developing in North Bryan, off State Highway 21.

The average small oil service firm was new, started by a man who decided he wanted to go into business for himself. Being small and being new, these firms were particularly vulnerable to cash flow problems as drilling slowed in 1982. However, not only the small firms were vulnerable. Many larger firms operating in several areas of the state went into receivership during the industry shakedown in the latter part of 1982.

Attitudes of oil service personnel toward Caldwell were highly polarized. Some oilmen were pleased to be located in a quiet, small town where they could put down roots. Other oilmen had nothing but contempt for a "boring, backward, stubborn place." Not surprisingly, the oilmen who despised Caldwell found the local people unfriendly.

Many of the larger operators tried to be good citizens. They joined the Chamber of Commerce, gave to the hospital, supported local fund-raising drives and civic campaigns, and tried to direct some business to the town, even if it was only to open a petty cash account at a local bank.

The financing of oil service firms varied greatly. The general practice seemed to be to secure financing in the community of origin, not the community of operation. Supposedly, one is "known best" where one starts. Thus, firms coming from the outside did their major banking wherever their home office was located or wherever start-up capital had been secured. Only local operators were financed by Caldwell banks. Given the rapid growth in the deposits, both local banks probably were involved deeply in financing local oil service firms. The effects of the decline in the oil business on the two banks is not yet apparent.

The oil service companies employed about as many workers as the downtown Caldwell merchants, thereby almost doubling the number of workers in the area. However, these new workers did not necessarily live or shop in Caldwell. In fact, given the high cost and the scarcity of housing, most oil service employees seemed to live elsewhere. Many solved the housing problem by locating mobile homes next to their place of business.

In discussing oil service companies, drillers and their crews were not discussed. These personnel are highly transient and operate internationally. Only three drilling firms had offices in Caldwell; of those, only one was local.

There is a good deal of turnover in the small oil firms. Although many companies have failed or closed in the past year, other companies have taken their places. Despite the fact that there has been a net decline in firms since early 1982, the decline has not been precipitous. Most remaining firms appear as

if they will be staying in the local area for some time.

New Wealth

One serious limitation of this study is that no information was obtained on new oil wealth in the community and its effects on people. Information on this topic is considered to be private; so accurate information is difficult to obtain.

The traditional Czech-German, agrarian culture of the community favors fiscal conservatism. The tendency is to save or carefully invest windfall gains and the tremendous growth in local bank and savings association assets (from 23 to 76 million dollars) attests to this pattern (see Table VII). Much money, of course, is deposited or invested out-of-town. As a result, three Bryan-College Station stockbrokers advertise in the Caldwell telephone directory yellow pages.

Some people who "struck it rich" invested in new homes or upgraded their old ones. The new homes were not ostentatious or extravagant. People did buy better cars and pick-ups. Still the streets of Caldwell did not become crowded with luxury or sports cars. As the Oliens also noted (1982, pp. 169-170), oil income stabilized many ranching and farming operations in the county (also see Rundell, 1982, p. 76). Royalty income typically went to middle-aged or elderly people whose lives had been an education in frugality. Consequently, there were very few cases of reckless spending of new wealth. Although seven different out-of-town travel agencies are now listed in the Caldwell yellow pages, there is not a single restaurant in Caldwell stressing

TABLE VII: ASSETS OF FINANCIAL INSTITUTIONS IN CALDWELL, 1976-1982

End of year	Assets, $1000s		
	First State Bank	Caldwell National Bank	Burleson County Savings
1976	11,603	11,400[a]	
1977	13,414	12,130	
1978[b]	14,121	13,196	
1979	17,025	14,424	
1980	20,824	19,053	
1981	26,887	30,309	
1982[c]	27,483	39,304	10,031

[a]Estimate, financial statement not in available files.

[b]Brazos Savings (formerly the Bryan Building and Loan Association) opened an office in Caldwell in July 1978. A permanent building was opened in June 1979. Financial statements for the Caldwell Branch are not published separately. In the late 70s out-of-county institutions, particularly from Brenham, advertised aggressively for savings deposits.

[c]Burleson County Savings and Loan Association opened for business in June 1982.

Source: Burleson Citizen-Tribune.

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leisure dining or featuring an elaborate menu. The new money is quiet money.

The new wealth is slowly altering the social structure of the community. Families who used to be of very modest status are claiming recognition from the long-time families involved in banking and ranching. The new money appears to have broadened and democratized the social structure. However, those who previously owned land also are disproportionately more likely to be the recipients of the new wealth. Perhaps it would be more accurate to say that the new oil and gas money has broadened and deepened the distribution of wealth and power in the community.

CONCLUSIONS

The oil and gas boom arrived in the Caldwell area early in 1978, picked up speed for 3 years, and then declined in early 1982. This study, largely conducted in mid-1982, found that the local community had benefited from the boom in most ways. Community businesses were more prosperous and larger, the number of workers in the community and county had at least doubled, community institutions were stonger, more services were available, community leadership was stable, and the level of community satisfaction was high. The coming of the oil industry has lifted Caldwell to a new level of economic activity, quite different from that of 1977. Few real disadvantages are apparent other than overexpansion in motels, apartments, and fast food places. In balance, despite congestion, the oil and gas boom was good to Caldwell. The same conclusion is reached by the Oliens

(1982) in their concluding chapter, "After the Boom."

THE FUTURE

The future is unknown. No one knows what the international oil market will be like in the next 10 years. No one really knows how long the Austin Chalk wells will produce, perhaps no longer than 20 years at the most, although some oil men believe there may be additional production zones at greater depths. However, as oil production declines, lignite production in the area will increase. The spillover effects from Bryan-College Station will continue. Caldwell will continue to grow. The fast pace of the oil boom days will not come back, but the outlook for the next 20 years is reasonably good. And, given the rapidity of social change, 20 years is a long time.

Apparently Caldwell will remain as it is today. Few local people seem inclined to replan or change the town. In many ways, it seems destined to be only a smaller place on the way to bigger places. Oil booms appear to affect local places for good or ill, but they rarely revolutionize them.

The Oliens (1982), in their study of West Texas oil boom towns found that those towns which were economically diversified, had an agribusiness base, and were county seats survived the boom quite well. "They were quieter, but very much alive after the boom passed" (p. 107). The same can be said for Caldwell.

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